



National Funding Summary Guide

National Funding Insights for
Fiscal Year 2024



Introduction

As the nation continues to be concerned with a potential economic recession and school community leaders concerned with a potential 2025 “funding cliff”, there are many critical decisions districts and schools are facing to ensure the most critical PreK–12 education needs are funded and can be sustained for the 2023/2024 school year and beyond. Imagine Learning has created our National Funding Summary Guide for fiscal year 2024 (FY24) to help school communities and their leaders better understand the current K–12 education funding landscape across state and local funds, the federal emergency relief funds and the annual formula federal funds from the U.S. Department of Education (USED).

Funding Summary

Historically, the primary K–12 funding revenue streams derive from state and local governments (of which nearly 40% of education funding stems from local property taxes) and the federal government (primarily from the USED, which traditionally contributes approximately 8–10%). For example, in Fiscal Year 2021 (FY21), nearly \$749 billion was directed towards elementary and secondary education from state and local funds (nearly 90% of total education revenues), with the majority of those funds being spent on instruction. Per pupil revenues (inflation-adjusted) was \$17,015 per pupil, a 5.9% increase over Fiscal Year 2020 (FY20) revenues of \$16,070 per pupil; furthermore, state funds provided \$7,764 per pupil, local funds \$7,386, and federal funds \$1,788, with total expenditures of \$14,295 per pupil².

Since the 2020–21 school year, State Education Agencies (SEAs), Local Education Agencies (LEAs), and schools have received an influx of over \$200 billion in one-time emergency relief funds to aid their communities during and post-COVID-19. These historic relief funds initially supported a variety of urgent needs, such as purchasing cleaning supplies to mitigate the health impacts of COVID-19, improving school facilities and air quality, expanding connectivity and broadband access, implementing hybrid and virtual learning environments, improving family and community services, addressing the mental and wellbeing of students, educators and their families, expanding and enhancing summer learning programs, and addressing academic learning losses³.

\$748.9B

State/Local Funds

FY21 Actualized

\$90B

Federal Funds
(U.S. Department of
Education FY24 Budget)

March 2023 Proposed Budget

\$72.2B

Emergency Relief Funds
(Remaining Funds)

*As of October 2023 (for reporting
period ending August 31, 2023)*

These one-time relief funds are expiring, and SEAs, LEAs, and school communities are expected to expend these funds in a manner which immediately addresses post-pandemic challenges, such as math and reading proficiencies, teacher shortages, educator attainment and retention, public school enrollment declines, under-resourced schools and their students, multilingual learners, children with disabilities and special needs, mental and behavioral health, school safety, and a growing list of other pressing priorities.

¹ EdWeek Market Brief Special Report: **School District Purchasing Priorities for 2023–24**

² National Center for Education Statistics (NCES) Digest of Education Statistics (2021)

³ U.S. Department of Education, Office of Planning, Evaluation and Policy Development, Elementary and Secondary School Emergency Relief Fund, Fiscal Year 2021 Annual Performance Report, Washington, DC, 20202. This report is available on the Department’s website at <https://covid-relief-data.ed.gov/>

As of October 2023, for the reporting period ending August 31, 2023, there was over \$72.2 billion remaining to be obligated and spent through the emergency relief funds, it is estimated that approximately \$5 billion will be spent per month until those funds expire⁴. This leaves SEAs, LEAs, and school leaders with immense decisions on how to meaningfully spend what is remaining and, when the funds expire in 2024, with those difficult decisions on what they need to cut, scale back, or keep⁵.

Fortunately, FY24 still looks promising as most states are forecasting growth, albeit nominal. Many states are increasing general funds spending, and the USED has proposed another historic budget of \$90 billion in discretionary funds for elementary, secondary, and postsecondary school communities. Our guide will help illustrate some of the most common themes and insights into what to expect in FY24 for K–12 education.

State and Local Funds

K–12 Highlights and Themes

STATE BUDGETS

As previously mentioned, FY24 still looks promising as most states are forecasting growth, albeit nominal, and many states are increasing general funds spending. Although, the outlook is still mixed as revenue forecasts are trending to be more conservative, which will likely correlate to slower revenue growth than the double-digit gains seen in the most recent fiscal years. There will be less one-time spending due to the relief funds expiring and, on a positive, states' record-high rainy day funds put them in a better position for an economic slowdown, should one arise⁶. Here are some of the trends across the country:

Top Budget Highlights

- Increase base funding through school funding formulas
- Reform funding formulas for English learners and under-resourced students
- Increase teacher pay
- Attract and retain educators
- Expand mental health programs
- Implement new initiatives in instruction such as:
 - Evidence-based literacy programs
 - Math and computer science
 - Tutoring
 - Out-of-school programming
- Improve access to PreK, expand eligibility, and increase funding levels
- Provide greater school choice

Other Budget Themes

- Learning loss
- School safety
- Special education
- Civics education
- Dual enrollment
- Career and technical education (CTE)
- Capital investments (one-time)

Instructional Materials: Emerging Priorities

- Science of reading
- STEM education (computer science)
- Career and technical education (CTE)
- Dual language programs
- PreK and early learning
- Media literacy

⁴Ednomics Lab, Georgetown University *Make It Or Break It! This Spring's District Budget Choices Matter Tremendously For The Years Ahead*

⁵EdWeek Market Brief Special Report: *School District Purchasing Priorities for 2023–24*

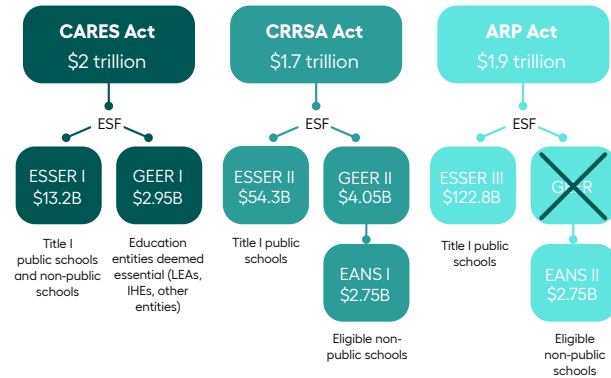
⁶NASBO *Summaries of Fiscal Year 2024 Proposed Budgets*

Emergency Relief Funds

\$200 billion

As part of the three emergency relief packages (CARES Act, CRRSA Act, and ARP Act), the USED provided relief funding under its Education Stabilization Fund (ESF) for K–12 education. Each act was structured to provide relief funding through the following programs: Elementary and Secondary School Emergency Relief Funds (ESSER I, II, III), Governor’s Emergency Education Fund (GEER I, GEER II), and the Emergency Assistance for Non-Public Schools (EANS I, EANS II). School communities have either spent their relief funds or are working towards spending and obligating the funds by the looming deadlines in order to meet their educational priorities.

Total Education Stabilization Funds (ESF): Amounts Awarded



Deadlines to Obligate or Liquidate Funds

CARES Act:
April 1, 2024: Extension liquidation period ends for SEAs and LEAs who received liquidation approvals.

ARP Act:
September 30, 2024: Deadline to obligate funds.

CRRSA Act:
January 29, 2024: Statutory liquidation period ends.

January 28, 2025: Statutory liquidation period ends.

March 31, 2025: Extension liquidation period ends for SEAs and LEAs who receive liquidation approvals.

March 2026: Extension liquidation period ends for SEAs and LEAs who receive liquidation approvals.

Over \$72.2 billion remaining to be expended across the CARES, CRRSA, and ARP Acts

\$69.2B

ESSER I, ESSER II, ESSER III

As of October 2023 (for reporting period ending August 31, 2023)

\$420.4M

GEER I, GEER II

As of October 2023 (for reporting period ending August 31, 2023)

\$2.6B

EANS I, EANS II

As of October 2023 (for reporting period ending August 31, 2023)

SPENDING THEMES

- Nearly 50% of funds were directed toward the educator workforce and K-12 personnel for the first few years of the pandemic
- District leaders are now shifting towards “investing in curriculum over adding specialist staff with the remaining ARP Funds” and are “investing in more hardware and software as well as professional development, which can be used beyond the expiration of ARP funding.”
- Rural districts are spending funds faster than urban districts
- Quick spending decisions will occur due to looming deadlines
- Most districts have their relief funds allocated, obligated, or planned for within school district budgets

GROWING CHALLENGES

- Sustainability concerns with implemented programs through relief funds, maintaining salaries and personnel investments, and updating purchased devices and connectivity, and 1:1 devices
- Districts most at risk for the “funding cliff” are ones using ESSER for recurring financial commitments (budget backfilling, new hires, raises)
- Districts are more worried about the “funding cliff” (53% expect to reduce spending over the next two years) over enrollment declines (37% worried about the drops in funding due to enrollment)

Sources: USED Education Stabilization Fund; EdWeek Market Brief; Edonomics Lab; ERS Strategies; CARES/CRRSA Liquidation FAQs; ARP Liquidation Extension Letter; AASA, The School Superintendents Association, ARP survey report, August 2023



ESSER Funds

\$69.2 billion remaining

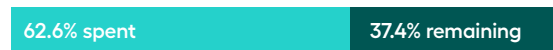
The bulk of the remaining emergency relief funds are the ESSER funds (as of October 2023, for reporting period ending August 31, 2023). It has been reported that ESSER funds account for anywhere from 4%–17% of total revenue in states across the FY21–FY24 periods. As SEAs and LEAs continue to obligate and liquidate the funds, reassess previously planned-for allocations, shift allocations to other priorities, and strategize and plan for the 2023–2024 and 2024–2025 school years, school communities have a great deal to consider in order to meet the needs of their educators, students, and families. Imagine Learning understands the weight districts and schools are under and we are here to help our partners by supporting the strategic ESSER planning processes to reach the right decisions with the most appropriate education solutions to reach their needs.

What has been expended and what's remaining

TOTAL REMAINING FUNDS (ESSER I, II, III)

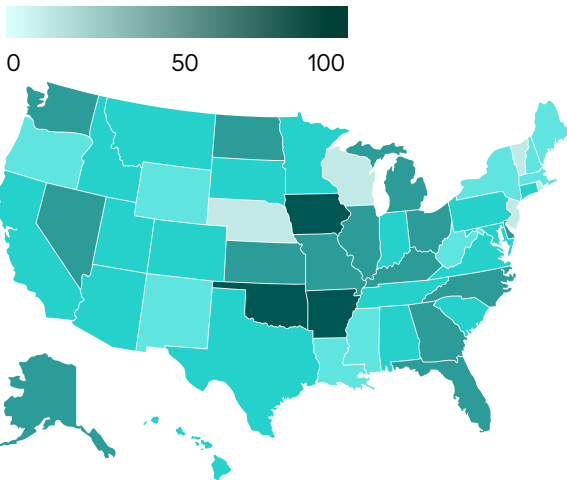
\$69,205,545,796

TOTAL % SPENT VS REMAINING (ESSER I, II, III)

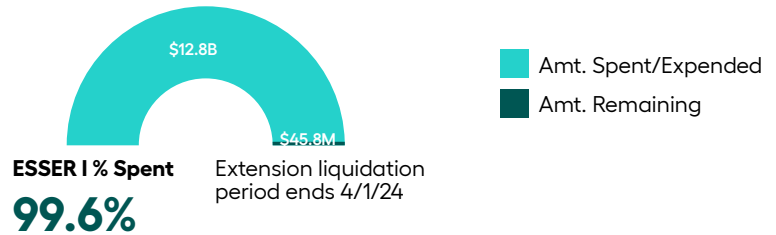


TOTAL ESSER I, II, III: % OF FUNDS SPENT FROM AWARDED AMOUNTS

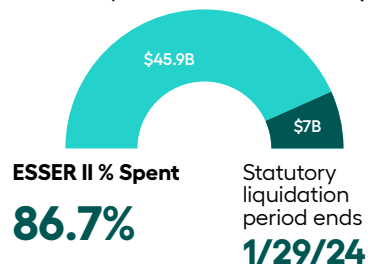
As of October 2023



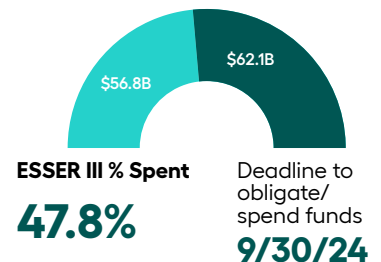
ESSER I (EXTENSION LIQUIDATION PERIOD)



ESSER II (LIQUIDATION PERIOD)



ESSER III



Top Spending Priorities for the 2023–2024 School Year

- Summer learning
- Educator workforce
- Tutoring
- Academic recoveries
 - Math (elementary and secondary)
 - Reading/English language arts (elementary)
- Social emotional learning (SEL)

Key Purchasing Insights

- Implementing evidence-based programs
- Renewing programs with proven efficacy
- Securing multi-year software licenses

District Leaders' Priorities for Remaining ARP Funds

- Investing in curriculum over adding specialist staff
- Hardware and software
- Professional development

Sources: USED Education Stabilization Fund; EdWeek Market Brief Decision Point: How School Districts Will Spend the Rest of Their Stimulus Money; EdWeek Market Brief Special Report: School District Purchasing Priorities for 2023–24; Edunomics Lab; ERS Strategies AASA, The School Superintendents Association, ARP survey report, August 2023



Federal Formula Funds

\$90 billion

The federal government provides funding to all states on an annual basis through complex formulas determined by Congress. On average, the federal government contributes approximately 8–10% of the elementary and secondary education funds received per school year. The USED FY24 budget is proposing a total of \$90 billion in discretionary appropriations, a 13.6% increase over the FY23 enacted budget of \$79.2 billion.

Explore some of the most common federal funds used toward Imagine Learning’s solutions.

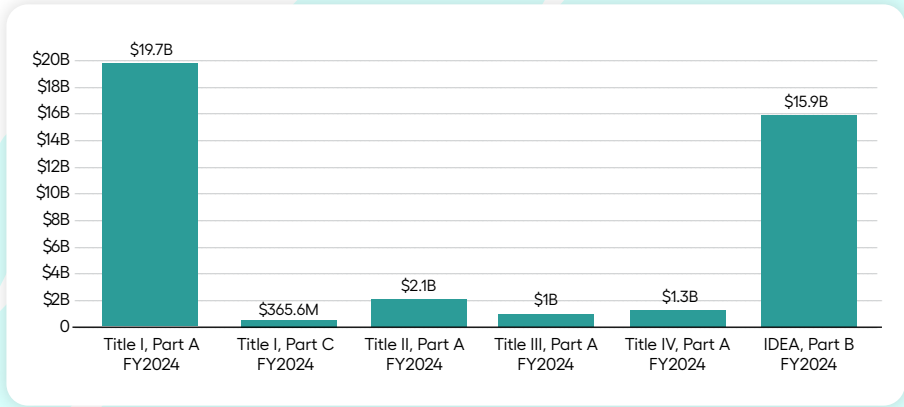
- Title I, Part A “Grants to Local Educational Agencies”
- Title I, Part C “Migrant Education”
- Title II, Part A “Supporting Effective Instruction State Grants”
- Title III, Part A “English Language Acquisition”
- Title IV, Part A “Student Support and Academic Enrichment Grants”
- IDEA-Part B “Grants to States”

FY24 USED Budget Highlights

Learn more about the significant investments and themes highlighted in the FY24 proposed budget, as of March 2023, for the United States, including DC.

FY24 LEADING INVESTMENTS

- Title III-A (34.3% increase over FY23)
- IDEA-B (14.6% increase over FY23)
- Title I-A (11.7% increase over FY23)
- Title IV-A (1.8% increase over FY23)



2023–2024 THEMES

- Under-resourced schools
- Children with disabilities and special needs
- Academic recoveries
- Well-rounded, rigorous education
- Educator shortage
- Professional learning
- Mental health/well-being
- Safe and healthy learning environments
- English learners and multilingualism
- Dual-language immersion programs
- Science, technology, engineering and math (STEM)
- College and career pathways

KEY PURCHASING INSIGHTS

- Implementing evidence-based programs
- Leveraging ESSER funds with federal funds
- Ensuring all student needs are met

Sources: U.S. Department of Education 2022–2026 Strategic Plan; U.S. Department of Education Fiscal Year 2024 Budget Highlights; President’s FY2024 Budget Request for the U.S. Department of Education; U.S. Department of Education State Tables



Grants

Education philanthropy continues to rise

COVID-19 dramatically changed the way funders, specifically from the private sector, have traditionally invested in education. Foundations and corporations alike understand the critical importance they have in supporting the social, equitable, and educational needs of schools and districts across the country. Imagine Learning is sharing some helpful grant resources to support your school communities in researching potential grants to further support your programs, along with a few of our tips to support your grant-seeking efforts.

HELPFUL GRANT RESOURCES:

- [Candid](#)
- [Council on Foundations](#)
- [GetEdFunding](#)
- [Grants.gov](#)
- [GrantWatch](#)
- [Inside Philanthropy](#)

Tips from Imagine Learning

| | |
|---|--|
| Research grant opportunities | Assemble your target list of grant applications/RFPs, understand the funder criteria/guidelines as well as the associated submission deadlines, and make sure your district/school community is eligible for consideration. |
| Grant writer(s) | Identify your designated grant writer or team member(s) who will lead the grant writing process and submit the grant application(s)/proposal(s). Ensure the grant writer(s) have all the necessary information and details to prepare a comprehensive grant application/proposal. |
| Imagine Learning's program(s) | Decide which program(s), associated professional development, and other services from Imagine Learning you are seeking funding support for as part of your proposed grant program. |
| Beneficiary/recipient school(s) | Identify which grade level(s) and school(s) will be proposed to the funder as part of the project/program. As part of the grant application/proposal, traditionally, the funder will request a list of all school(s) who will be the recipient of the grant, if awarded. Be fully prepared to provide a detailed list of all proposed recipient school(s). |
| Student subgroups and demographics | Address the total number of students, teachers, and people served by the project/program. Clearly address student age groups, student subgroups, demographics, and Free Reduced Priced Lunch percentage. Funders will specifically request this information. Districts/school(s) serving Black, Hispanic/Latino, and low-income students traditionally receive significant consideration and, at times, is a criterion by funders. |
| Implementation start/end dates | Establish your anticipated implementation start and end dates for Imagine Learning's program(s). This will help the potential funder understand your timeline and when your district/school(s) need the funds secured to formally launch the program(s). Be mindful that funders' grant award dates and payment deliveries vary and may not necessarily align to your anticipated implementation start date. |
| Implementation, measurements, and success plan | Determine how the product(s) will be used for your implementation plan, such as whole-class, small-group, one-on-one instruction, computer lab rotation, pull-in or push-out instructional time, before- or after-school programs, and/or summer school. Establish your measurements (outcomes/outputs) and your success plan. In addition, include any results, studies, or research pertinent to your project/program and include those as part of your submission. |
| Budget and funding amount requested | Determine the programs you elect to acquire, sustain, or expand, along with the number of schools, students, and teachers that will be impacted by the proposed program and other program supports, such as professional development and instructional services. Establish the total project/program budget while also identifying other funding resources that might be directed toward the total project/program costs. Then, determine the amount you are requesting from the funder. |
| Educators'/leaders' support | Ensure your district/school(s) has educators' and leaders' support for your proposed project/program. Include any testimonials, signed letters, or other supporting evidence in your submission. |
| COVID-19 Recovery Plans | Address your district/school(s)' response, highlights, challenges, strategies, and your plan as it relates to how your district/school(s) are rebounding from COVID-19. Share your story. This could include basic needs, technology, educational equity, centralization/distance learning, learning time, family resources, summer learning, budget constraints, and your strategies to address academic recoveries. This is extremely important to share with funders so they have a full understanding of your circumstances and your plans to address your most pressing priorities and needs. |

How can Imagine Learning solutions help meet your school community needs with funding?

Our evidence-based solutions qualify for many key PreK–12 federal funding programs:

| Imagine Learning | | | Emergency Relief Funds | | Federal Annual Formula Funds | | | | |
|--|--|-------------------|---------------------------------|--|------------------------------|--------------------|---------------------|--------------------|----------------|
| Program | Curriculum Type | Grades | ARP Act ESSER III EANS II | CRRSA Act ESSER II GEER II EANS I | Title I Part A | Title II Part A | Title III Part A | Title IV Part A | IDEA Part B |
| Imagine Learning EL Education | Core Literacy | K–8 | ✓ | ✓ | | ✓ | | ✓ | ✓ |
| Imagine Learning Illustrative Mathematics® | Core Math | K–12 | ✓ | ✓ | | ✓ | | ✓ | ✓ |
| Twig Science | Core Science | K–8 | ✓ | ✓ | | ✓ | | ✓ | ✓ |
| Traverse® | Core Social Studies | 6–12 | ✓ | ✓ | | ✓ | | ✓ | ✓ |
| Imagine Edgenuity® | Courseware | 6–12 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Imagine Language & Literacy® | Supplemental Literacy | PreK–6 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Imagine Español® | Supplemental Literacy | K–5 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Imagine Reading® | Supplemental Literacy | 3–8 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Imagine Lectura® | Supplemental Literacy | 3–5 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Imagine Math® | Supplemental Math | PreK– Geometry | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Imagine Math Facts® | Supplemental Math | 1–5 | ✓ | ✓ | ✓ | ✓ | | ✓ | |
| Imagine Robotify™ | Supplemental STEM | 3–8 | ✓ | ✓ | ✓ | ✓ | | ✓ | |
| Imagine MyPath® | Supplemental Reading + Math | 3–12 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Imagine Purpose™ | Supplemental SEL | K–12 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Imagine Galileo® | Assessment | K–12 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Imagine School Services | <ul style="list-style-type: none"> • Instructional Services • Tutoring & Intervention Services • Specialized Services | K–12 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

All Imagine Learning solutions meet the ESSA evidence standards and can be used for implementations of evidence-based interventions, activities, and programs. Funding alignment subject to change.

Find out more about how our evidence-based programs meet your federal, state, and emergency relief funding requirements.



imaginelearning.com/funding
877-725-4257 • solutions@imaginelearning.com

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